

103^D CONGRESS
2^D SESSION

S. 1840

To amend the Internal Revenue Code of 1986 to provide tax incentives for businesses participating in gun exchange programs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 9 (legislative day JANUARY 25), 1994

Mrs. BOXER (for herself and Mr. BROWN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide tax incentives for businesses participating in gun exchange programs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Gun Exchange Tax
5 Incentive Act of 1994”.

6 **SEC. 2. MODIFICATIONS TO CERTAIN LIMITATIONS ON**
7 **CHARITABLE DEDUCTION.**

8 (a) GENERAL RULE.—Subsection (e) of section 170
9 of the Internal Revenue Code of 1986 (relating to certain

1 contributions of ordinary income and capital gain prop-
 2 erty) is amended by adding at the end thereof the follow-
 3 ing new paragraph:

4 “(6) SPECIAL RULES FOR GUN EXCHANGE PRO-
 5 GRAM CONTRIBUTIONS.—

6 “(A) DEDUCTION ALLOWED FOR FULL
 7 MARKET VALUE.—The deduction under sub-
 8 section (a) for any qualified gun exchange pro-
 9 gram contribution shall be an amount equal to
 10 its fair market value and no reduction under
 11 paragraph (1)(A) shall be made in the amount
 12 of such contribution.

13 “(B) INCREASE IN CORPORATE PERCENT-
 14 AGE LIMITATION.—The limitation of subsection
 15 (b)(2) shall be increased by the lesser of—

16 “(i) the aggregate amount of qualified
 17 gun exchange program contributions made
 18 by the taxpayer during the taxable year, or

19 “(ii) 5 percent of the taxpayer’s tax-
 20 able income computed as provided in sub-
 21 section (b)(2).

22 “(C) QUALIFIED GUN EXCHANGE PRO-
 23 GRAM CONTRIBUTION.—For purposes of this
 24 paragraph, the term ‘qualified gun exchange
 25 program contribution’ means any charitable

1 contribution of property described in paragraph
2 (1) of section 1221 or of a coupon or similar in-
3 strument which may be used to acquire prop-
4 erty so described if—

5 “(i) such contribution is to a govern-
6 mental unit described in subsection (c)(1)
7 or to an organization described in sub-
8 section (c)(2) which is designated by a gov-
9 ernmental unit as a qualified recipient of
10 gun exchange program contributions,

11 “(ii) the property (or coupon or simi-
12 lar instrument) is to be transferred in ex-
13 change for firearms to persons surrender-
14 ing firearms to a governmental unit in a
15 gun exchange program established and ad-
16 ministered by such governmental unit, and

17 “(iii) the taxpayer received from the
18 governmental unit or organization des-
19 ignated under clause (i) a written state-
20 ment that the property (or coupon or simi-
21 lar instrument) was transferred as pro-
22 vided in clause (ii).”

23 (b) EFFECTIVE DATE.—The amendment made by
24 subsection (a) shall apply to contributions made after the
25 date of the enactment of this Act.

1 **SEC. 3. MODEL PROGRAM.**

2 (a) MODEL PROGRAM.—The Attorney General shall
3 develop a written model program for business-sponsored
4 gun exchange programs.

5 (b) DISTRIBUTION.—Not later than 3 months after
6 the date of the enactment of this Act, the Attorney Gen-
7 eral shall make available such model to States, units of
8 local governments, and businesses.

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